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DEPARTMENT OF EDUCATION
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FISCAL YEAR 2015 CHILD AND ADULT CARE FOOD PROGRAM OPERATIONAL MEMORANDUM #4

TO: Child and Adult Care Food Program Institutions

FROM: Marla J. Moss, Director

Office of School Support Services

DATE: November 5, 2014

SUBJECT: Web-based National Disqualified List System

Beginning October 22, 2014, the United States Department of Agriculture (USDA) National Disqualified List (NDL) is accessible by independent centers and sponsors of centers in the Child and Adult Care Food Program (CACFP) and Summer Food Service Programs (SFSP). The NDL is a list of institutions and individuals that have been disqualified and terminated from participation in the CACFP and SFSP. The purpose of maintaining the NDL and making it available via the internet to independent centers, sponsoring organizations, state agencies, and USDA is to provide a tool for promoting CACFP integrity. The NDL helps preclude several potential integrity violations from occurring by preventing:

- institutions whose Program agreements were terminated for cause in one State from moving to another state and reapplying for Program participation
- individuals responsible for serious mismanagement from continuing to be involved in Program administration by forming a new corporate entity and entering the Program under a different organizational name
- individuals associated with a disqualified institution from re-entering the Program as a day care home provider, as a principal with another institution, or as a principal in a sponsored center
- day care home providers terminated for cause by one sponsoring organization from re-entering the Program under the auspices of a different sponsoring organization

Independent centers and sponsors of centers will be **required** to conduct a primary check of the NDL of individuals who would be a principal of the institution, center, or sponsor. This includes family day care home providers. A principal is defined by 7 CFR 226.2 as "any individual who holds a management position within,

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or is an officer of, an institution or a sponsored center, including all members of the institution's board of directors or the sponsored center's board of directors."

The NDL system integrates with the USDA's e-Authentication system. Agency users need e-Authentication level one clearance to access the NDL system and can obtain an e-Authentication credential at https://www.eauth.usda.gov/mainpages/eauthWhatIsAccount.aspx. After credentials have been established, agency users can access the NDL at https://snp.fns.usda.gov/ndlweb/Welcome.action and can begin checking principals immediately. A user manual from the USDA is attached.

The Michigan Department of Education (MDE) will offer webinar-based training on how to obtain access to and how to conduct searches on the NDL. Trainings will be available on the CACFP website at www.michigan.gov/cacfp under Trainings. MDE will notify independent centers and sponsors of centers by operational memo when this training becomes available. MDE will also provide technical assistance as needed.

Please contact the CACFP office at (517) 373-7391 with any questions.



The Child and Adult Food Care Program (CACFP)

National Disqualified List (NDL)

User Manual for Sponsoring Organizations

October 2014

Prepared by:
Child Nutrition Programs
Program Monitoring and Operational Support

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1 Introduction

Section 243(c) of Public Law 106-224, the Agricultural Risk Protection Act of 2000, amended § 17(d)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766 (d)(5)(E)(i) and (ii)) by requiring the U.S. Department of Agriculture (USDA) to maintain a list of institutions, day care home providers, and individuals that have been terminated or otherwise disqualified from Program participation. The law also required USDA to make the list available to State agencies for their use in reviewing applications to participate and to sponsoring organizations to ensure that they do not employ as principals any persons who have been disqualified from the Program. This statutory mandate has been incorporated into § 226.6(c)(7) of the Program regulations.

The purpose of maintaining a National Disqualified List (NDL) and making it available to State agencies and sponsoring organizations is to provide these entities with a tool for promoting Child and Adult Care Food Program (CACFP) integrity by preventing several situations from occurring. First, it prevents institutions whose Program agreements were terminated for cause in one State from simply moving to another State and reapplying for Program participation. Second, it prevents individuals responsible for serious mismanagement from continuing to be involved in Program administration by forming a new corporate entity and entering the Program under a different organizational name. Third, it prevents individuals associated with a disqualified institution from re-entering the Program as a day care home provider, as a principal with another institution, or as a principal in a sponsored center. Finally, it prevents day care home providers terminated for cause by one sponsoring organization from re-entering the

Program under the auspices of a different sponsoring organization.

The NDL is a web-based system designed for use by various user types to add, update, search and view the data of disqualified individuals and institutions. Specifically, sponsoring organization users have the ability to access individual and institution disqualified lists and perform searches.

2 NDL System Access

The NDL system integrates with the USDA's e-Authentication system. Sponsoring organization users need e-Authentication level one clearance to access the NDL system. Users can obtain an e-Authentication credential at https://www.eauth.usda.gov/mainpages/eauthWhatIsAccount.aspx
For questions or problems with obtaining e-Authentication credentials, contact your State agency.

2.1 User Login (Figure 1)

Users must enter the following website to login the NDL system: https://snp.fns.usda.gov/ndlweb/Welcome.action. Then, users must enter their username and password to access the NDL system.

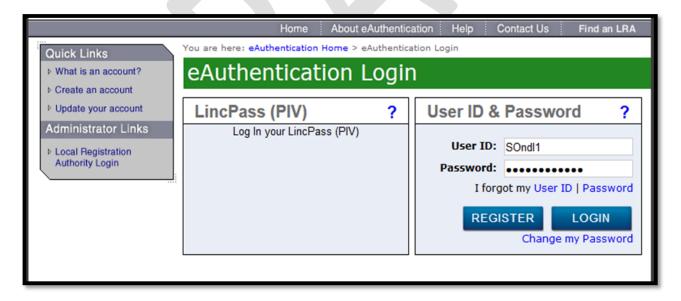


Figure 1: e-Authentication Login Screen

3 Welcome Page (Figure 2)

Successful login brings the user to the Welcome Page of the NDL. The Welcome Page displays the regulatory language that gives USDA the authority and responsibility for maintaining the NDL. From this page, use the navigation bar on the left to access the individual and institution disqualified lists, conduct a search of institution or individual records, and conduct a bulk search of disqualified institutions or individuals.

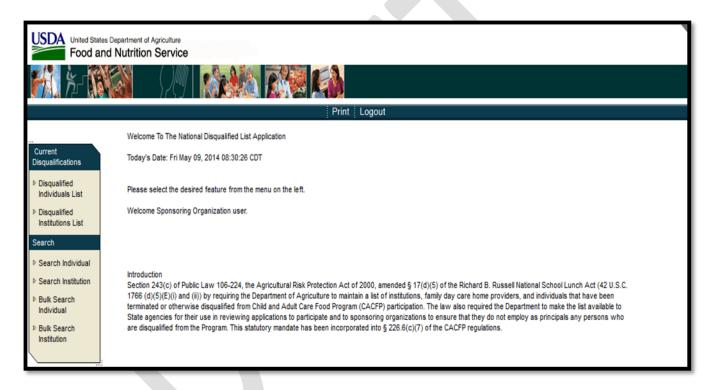


Figure 2: Welcome Page

Current Disqualifications Six Options are available: ▶ Disqualified The first two options allow the user to view the Individuals List disqualified individual list and the disqualified ▶ Disqualified institution list. Institutions List The second two options allow the user to conduct a Search search of a specific individual or institution using ▶ Search Individual specific criteria. The third two options allow the user to conduct ▶ Search Institution bulk searches for disqualified individuals and ▶ Bulk Search Individual institutions. ▶ Bulk Search Institution

The side navigation bar displays the options available:

Figure 2: Welcome Page (continued)

4 Accessing the Disqualified Lists

To access the disqualified lists, the user clicks on "Disqualified Individuals List" or "Disqualified Institutions List" from the navigation bar.

4.1 Disqualified Individuals List (Figure 3)

The Disqualified Individuals List is a list of all the responsible principals and individuals (RPI) disqualified from participation in the CAFCP. The list displays in alphabetical order by last name and shows the first and last name, address, termination date of the individual, a "yes or no" indicator under debt owed and other legal names, if any. Click on the "First Name", "Termination Date" or "Debt Owed" to change the order in which the list is displayed. The user can maneuver the list by selecting numbers at the top or bottom of the page or by selecting the next or last page.

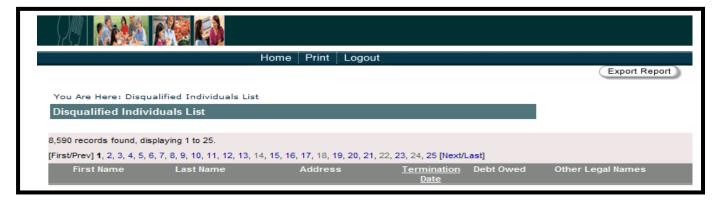


Figure 3: Disqualified Individuals List

4.2 Disqualified Institutions List (Figure 4)

The Disqualified Institutions List is a list of all the institutions disqualified from participation in the CACFP. The list displays in alphabetical order the institution's name, address, termination date of the institution, a "yes or no" indicator under debt owed and other institution names, if any. Click on "Termination Date" or "Debt Owed" to change the order in which the list is displayed. The User can maneuver the list by selecting numbers at the top or bottom of the page or by selecting the next or last page.



Figure 4: Disqualified Institutions List

4.3 Export Results

The NDL or the results of a search may be exported to an Excel spreadsheet by clicking the "Export Report" in the right hand corner of the screen.

5 Search Function (Individuals)

5.1 Search for an Individual (Figure 5)

To perform a search of an individual:

- 1. Click on Search Individual in the left hand menu;
- 2. Enter the search criteria via text entry, checkbox and drop down selections;
- 3. Click on the Submit button.

		Print Logout
	·	
urrent equalifications	You Are Here: Advanced Individual Search	
Disqualified	Advanced Individual Search	
Individuals List	Personal Information	
Disqualified Institutions List	First Name:	
earch	Enter Data Starts ✓ Last Name:	
Search Individual	Enter Data Starts Date of Birth:	
Search Institution	mmddyyyy	
Bulk Search Individual	Disqualification Information:	
Bulk Search	Program Type Select One	
Institution	Status	
	Select One ✓ State Agency Imposing Disqualification	
	Select One Segion	
	Select One V Type of Individual Disqualification	
	Select One	
	Debt Owed Select One ✓	
	Termination Date mmddyyyy	
	Submission of false claims for reimbursement	Submission of false information on the application
	☐ Simultaneous participation under more than one sponsoring organization	☐ Other ☐ Non-compliance with the Program meal pattern
	Failure to keep required records	Conduct or conditions that threaten the health or safety of a
	A determination that the day care home has been convicted of any activity that occurred during the past seven years and that	child(ren) in care, or the public health or safety Failure to participate in training
	indicated a lack of business integrity. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery,	_ rando to participate in duffing
	bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims,	
	obstruction of justice, or any other activity indicating a lack of business integrity as defined by the State agency, or the	
	concealment of such a conviction Any other circumstance related to non-performance under the	
	sponsoring organization-day care home agreement, as specified by the sponsoring organization or the State agency	
	Address	
	*Street Number:	
	Enter Data *Street Name/PO Box Number:	
	Enter Data City	
	Enter Data Starts V	
	State/Province Select One	
	Select Result List Size	
	25 🗸	

Figure 5: Search Individual

5.1.1 No Match Result (Figure 6)

The NDL system alerts the user when a search produces a "No Match". Users can return to the search function by selecting "Return to Criteria" or return to the welcome page by selecting "Home".

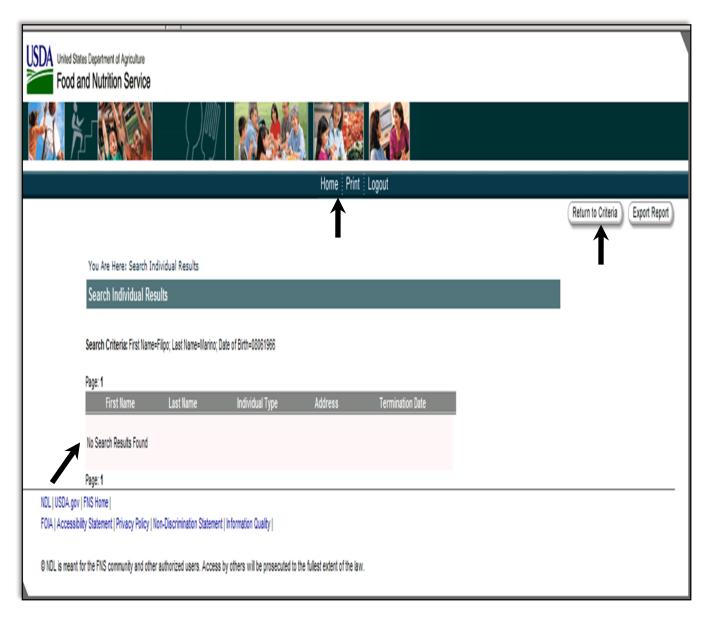


Figure 6: Search Individual - No Match

5.1.2 Match Results

The following screen is displayed when a search produces matches.

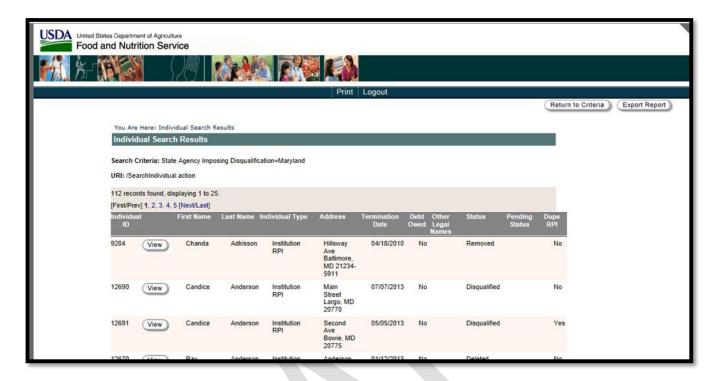


Figure 7: Search Individual - Match Found

5.1.3 View Individual (Figure 8)

The "View Individual" screen provides additional information associated with the disqualified individual (that is not personally identifiable information (PII) data (i.e., birth dates).

View Individual:

This section displays the full name of the disqualified individual and his/her status (i.e., Disqualified, Removed or Pending). The status "Removed" means the individual is no longer on the list. The Sponsoring Organization should monitor individuals who have been removed from the list to ensure that Serious Deficiencies do not recur. The status "Pending" means the State agency submitted the individual for disqualification but the FNS Regional Office has not yet approved the disqualification. The status changes to "Disqualified" after FNS Regional Office approves the disqualification of the individual.

Other Personal Information:

This section displays the individuals' other legal names, address, address verification result, date validated and the staff who validated the address. Validation results reveal whether or not the NDL system recognizes the address. If the system recognizes the address, it populates the field with "validated". If the system does not recognize the address, the State agency user can alter the address or override the validation.

Disqualification Information:

This section displays the respective FNS Regional Office, State agency, termination date of the individual, the type of individual disqualification (i.e., FDCH Provider, Independent or Institution Responsible Principal or Individual (RPI)) debt owed, original debt amount, amount paid, and date debt paid in full.

- The "Debt Owed" field indicates if the individual owes a debt.
- If an individual owes a debt, the State agency user will be required to enter the original debt amount.
- The "Amount Paid" is an optional field that the FNS user can complete when payment is received.
- When the debt is paid in full, the FNS user enters the date the final payment was made in the "Date Debt Paid in Full". After the debt, including interest, is paid in full and date of final payment is recorded in the system, the individual will be removed from the NDL 7 years from the effective date of termination or the date the debt is paid in full if greater than 7 years.
- The NDL system displays the disqualification reason(s) at the bottom of the screen, as well as any comments entered.



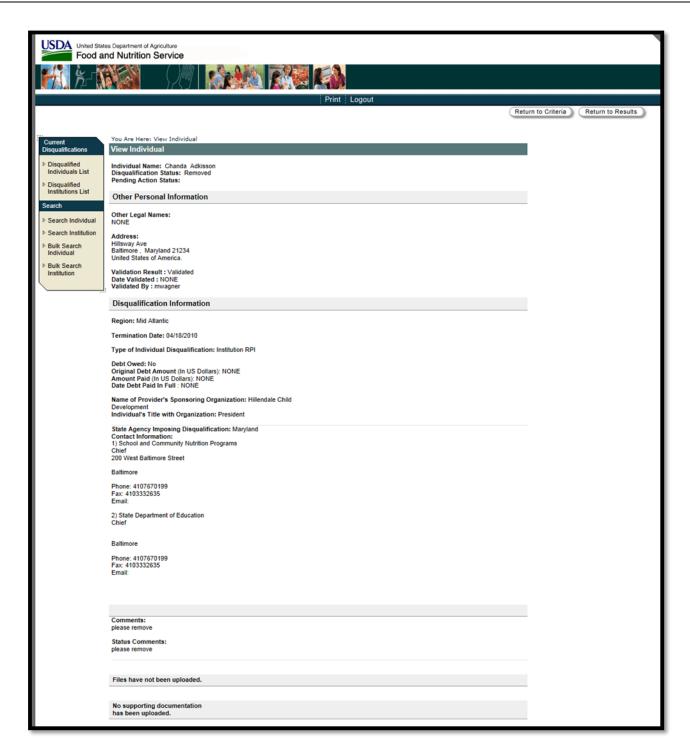


Figure 8: View Individual

6 Search Function (Institutions)

6.1 Search for an Institution (Figure 9)

To perform a search of an institution:

- 1. Click on Search Institution in the left hand menu;
- 2. Enter the search criteria via text entry, checkbox and drop down selections;
- 3. Click on the Submit button.



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Current Disqualifications Disqualifications Disqualifications List Disqualifications List Disqualifications List Search Institution Search Institution Dearch Individual Dearch Individual Dearch Individual	Visu Are Merel Search Institution
	less) were eligible for free or reduced-price meals or were title XX beneficiaries Use of day care home funds by a sponsoring organization to pay for the sponsoring organization's administrative expenses Failure to operate the Program in conformance with the performance standards set forth in paragraphs (b)(1)(xviii) and (b)(2)(vii) of \$226.6
	Address: *Street Number:
	*Street Name/PO Box Number: City Enter Data Starts Total State/Province Select One Select Result List Size 25
	Submit Cancel

Figure 9: Search Institution

6.1.1 No Match Result (Figure 10)

The NDL system alerts the user when a search produces a "No Match". Users can return to the search function by selecting "Return to Criteria" or the welcome page by selecting "Home".

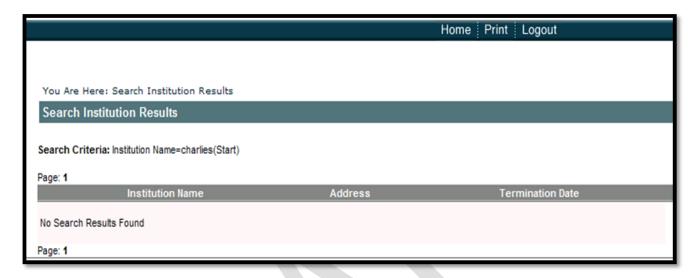


Figure 10: Search Institution - No Match

6.1.2 Match Result (Figure 11)

The following screen is displayed when the search results in a match.

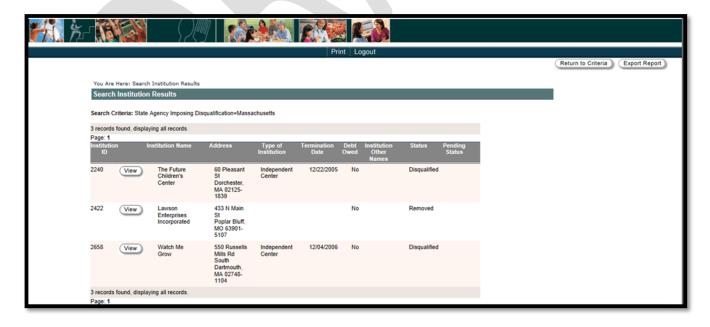


Figure 11: Search Institution - Match Found

6.1.3 View Institution (Figure 12)

The "View Institution" screen provides additional information associated with the disqualified institution.

View Institution:

This section displays the full name of the disqualified institution and its status (i.e., Disqualified, Removed or Pending). The status "Removed" means the institution is no longer on the list. The status "Pending" means the State agency submitted the institution for disqualification but the FNS Regional Office has not yet approved the disqualification.

Other Institution Information:

This section displays the institutions' other names (if any), address, address verification result, date validated and the staff who validated the address. Validation results reveal whether or not the NDL system recognizes the address. If the system recognizes the address, it populates the field with "validated". If the system does not recognize the address, the State agency user can alter the address or override the validation.

Disqualification Information:

This section displays the respective FNS Regional Office, termination date of the institution, debt owed, original debt amount, amount paid, and date debt paid in full.

- The "Debt Owed" field indicates if the institution owes a debt.
- If an institution owes a debt, the State agency is required to enter the original debt amount.
- The "Amount Paid" is an optional field that the FNS user can complete when payment is received.
- When the debt is paid in full, the FNS user enters the date the last payment was made in the "Date Debt Paid in Full". After the debt, including interest, is paid in full, the institution will automatically be removed from the NDL 7 years from the effective date of termination the date the debt was paid if greater than 7 years.
- The NDL system displays the disqualification reason(s) at the bottom of the screen, as well as any comments entered.

Responsible Principals or Individuals (RPI):

The section displays the RPI responsible for the disqualification, as well as the person's title within the institution and if the person is responsible for the debt. This section also includes other legal names and the address of the RPI.

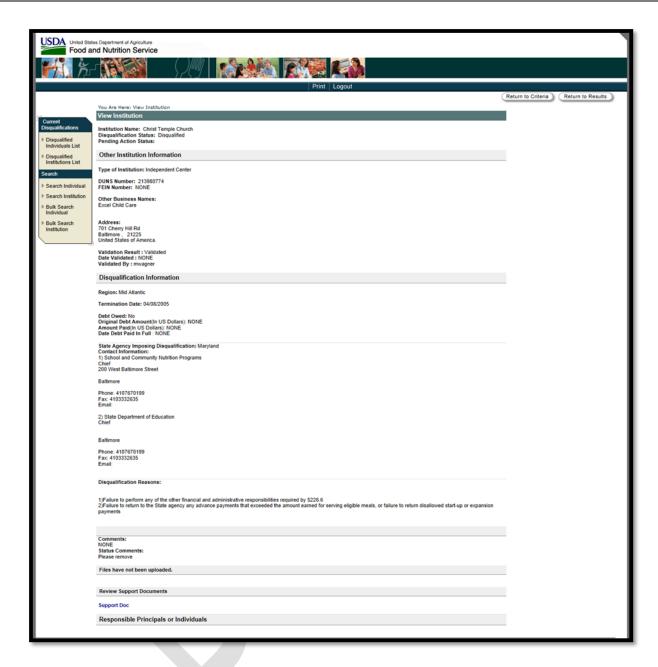


Figure 12: View Institution

7 Bulk Search Individual

7.1 Bulk Search for an Individual

When you click the "Bulk Search Individual" left-side menu option, you are taken to a screen that allows you to upload a comma delimited file for bulk individual searching of the disqualified lists. The bulk matching file must be a comma-separated values (CSV) file with a .txt extension. Each record in the CSV file should follow the format:first_name,last_name,date_of_birth. The data of birth format must be yyyymmdd. Sample record - John,Crane,19661022.

The results screen shows all matches from your search requests as well as any validation errors for records with bad data.

Input:

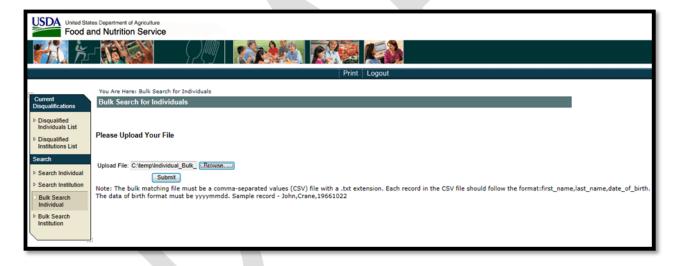


Figure 13: Bulk Search Individual

7.1.2 Results

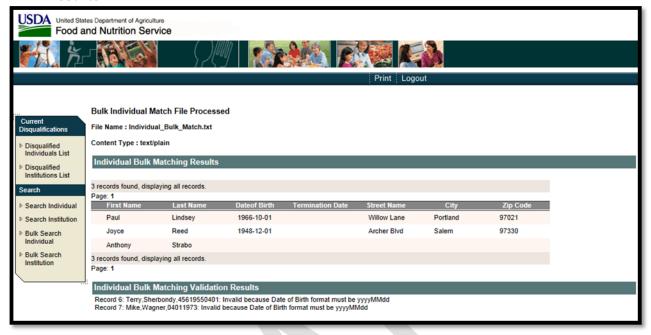


Figure 14: Bulk Search Individual Results

8 Bulk Search Institution

8.1 Bulk Search for an Institution

When you click the "Bulk Search Institution" left-side menu option, you are taken to a screen that allows you to upload a comma delimited file for bulk institution searching of the disqualified lists. The bulk matching file must be a comma-separated values (CSV) file with a .txt extension. Each record in the CSV file should follow the format:organization_name,street_name,city,zip_code,fein or duns number. Be sure to not include street numbers or a zip code suffix such as 36301-8023. Sample records: Nettles Academy,Lagrand Dr,Dothan,36301,123

The results screen shows all matches from your search requests as well as any validation errors for records with bad data.

Input:



Figure 15: Bulk Search Institution

8.1.1 Results

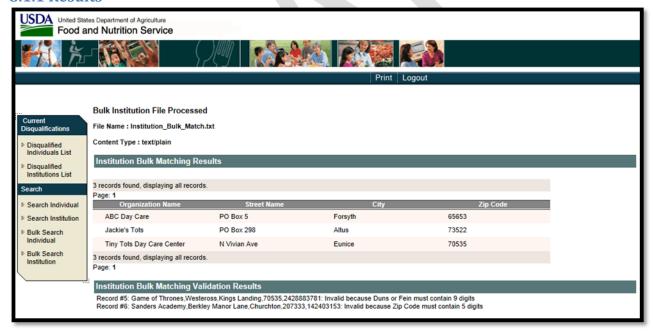


Figure 16: Bulk Search Institution Results